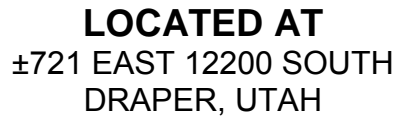




AN APPRAISAL REPORT OF A 1.37 ACRE TRACT OF SURPLUS LAND



UDOT PROJECT/PARCEL NO.
Project No. S-0071(14)4
Parcel No. 0071:01:TQ
Pin No. 3904

DATE OF INSPECTION
JULY 13, 2017

DATE OF VALUATION – AS IS
JULY 13, 2017

DATE OF THE REPORT
JULY 14, 17



DHgroup

4020 South 700 East #2
Murray, Utah 84107

July 14, 17

Mr. Bradly D. Daley
Surplus Land Program Manager
Utah Department of Transportation
Right of Way Division
4501 South 2700 West, Fourth Floor
Salt Lake City, Utah 84114-8420

Re: An Appraisal Report of a 1.37 acre tract of surplus land located at ±721 East 12200 South, Draper, Utah. UDOT Project No. S-0071(14)4. UDOT Parcel No. 0071:01:TQ. Appraisal Report File #223th0717dh.

Dear Mr. Daley:

At your request I have inspected the property owned by the Utah Department of Transportation, located at ±721 East 12200 South, Draper, Utah. The purpose of the inspection and subsequent investigation and analysis was to formulate an opinion of the market value of the subject land for a possible sales transaction. The subject property has been declared surplus by UDOT.

The defined subject property is unimproved and is identified as Salt Lake County Parcel Number(s) 28-29-302-001. The site was acquired in 2003 as part of UDOT Project No. S-0071(14)4. The size of the subject parcel is identified by UDOT as containing a total of ±59,855 square feet, or 1.37 acres. The owner of record is the Utah Department of Transportation.

After analyzing all of the data presented in the report, I am of the opinion that the market value of the subject property, as of July 13, 2017, is:

**SEVEN HUNDRED SIXTY FIVE THOUSAND DOLLARS
(\$765,000)**

The marketing period of the subject property would be strongly influenced by the asking price, market conditions, and the efforts to sell the subject property. However, based on current market conditions and available market data, it would appear that the subject property as it is currently improved, if properly marketed, would need an exposure time of six to twelve months. Likewise, being properly marketed, the subject could be sold within a 12-month period from the date of this appraisal.



DHgroup

4020 South 700 East #2
Murray, Utah 84107

Mr. Bradly D. Daley
July 14, 17
Page 2

The results of this appraisal have been prepared and communicated in an Appraisal Report format, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. As such, it presents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop an opinion of market value. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. Supporting documentation is retained in the appraiser's work file. This appraisal report conforms with, and is subject to, the Uniform Standards of Professional Appraisal Practice (USPAP). The use of this appraisal report, by the client or by a third party, will mean acceptance of all assumptions and limiting conditions contained in the Letter of Transmittal, Preface, and attached report. The appraiser is not responsible for unauthorized use of this report. The intended user of this report is the Utah Department of Transportation.

The report has been prepared in compliance with reporting requirements established by USPAP, Federal Regulations, and the Utah Department of Transportation appraisal guidelines.

The use of this appraisal report, by the client or by a third party, will mean acceptance of all assumptions and limiting conditions contained in the Letter of Transmittal, Preface, and attached report. The appraiser is not responsible for unauthorized use of this report.

The value given is subject to the general assumptions and limiting conditions, and specific extraordinary assumptions stated in the addenda of the report. It is important that the reader of this report review and understand all general and specific assumptions and limiting conditions. This letter must remain attached to the report in order for the value opinion set forth to be considered valid. The effective date of value is July 13, 2017. The date of the report is July 14, 17.



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4020 South 700 East #2
Murray, Utah 84107

Mr. Bradly D. Daley
July 14, 17
Page 3

Your attention is invited to the attached appraisal report, which outlines the data collected and the methods used to formulate an opinion of the market value of the subject property. If you have any questions, please do not hesitate to contact me at (801) 290-2369.

Respectfully submitted,

David P. Holtby, Appraiser

Utah State Certified General Appraiser License No. 5503226-CG00, Expires 3-31-19

Enc.

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CERTIFICATION

Re: An Appraisal Report of a 1.37 acre tract of surplus land located at ±721 East 12200 South, Draper, Utah. UDOT Project No. S-0071(14)4. UDOT Parcel No. 0071:01:TQ. Appraisal Report File #223th0717dh.

I certify that to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is our personal, impartial, and unbiased professional analyses, opinions and conclusions.
3. I have no present or prospective interest in the property appraised that is the subject of this report, and no personal interest with respect to the parties involved.
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the *Uniform Standards of Professional Appraisal Practice* (USPAP).
8. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
9. This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
10. I have made a personal inspection of the property that is the subject of this report.
11. Travis Holtby, an appraiser trainee, provided assistance to the person signing this report by inspecting the subject site, taking photographs and measurements, gathering factual data pertaining to the subject property, highest and best use, selecting comparables, making adjustments and the reconciliation of the final value. No other individuals provided real property appraisal assistance to the person(s) signing this report. No other individuals provided real property appraisal assistance to the person(s) signing this report.
12. I have complied with the Appraisal Standards of USPAP and the Appraisal Institute in conducting the research and analysis, and in formulating the value conclusion(s) contained in this report.
13. The Ethics Rule of the Uniform Standards shall be enforced solely by enforcement of the Code of Professional Ethics under the existing enforcement procedures of the Appraisal Institute.
14. As of the date of this report, I am licensed by the State of Utah, Department of Commerce, Division of Real Estate. Under the state's licensing regulations, I am a Certified General Appraiser and my license has not been revoked, suspended, canceled, or restricted.
15. The undersigned hereby acknowledge that he has the appropriate education and experience to complete the assignment in a competent manner. The reader is referred to the appraiser's statement of qualifications found in the addenda of this report.
16. I have not appraised the property that is the subject of this report during the previous three years.
17. As of the date of this report, I have completed the Standards and Ethics Education Requirement of the Appraisal Institute for Candidates for Designation.

Dated: July 14, 2017



David P. Holtby

Utah State Certified General Appraiser Certificate #5503226-CG00, Expires 3-31-19
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EXECUTIVE SUMMARY

TYPE OF PROPERTY APPRAISED:	A 1.37 acre tract of surplus land.
ADDRESS:	±721 East 12200 South, Draper, Utah.
PURPOSE OF THE APPRAISAL:	To formulate an opinion of the market value of the subject land for a possible sales transaction.
PROPERTY RIGHTS APPRAISED:	Fee simple
OWNER OF RECORD:	Utah Department of Transportation
COUNTY PARCEL NUMBER(s):	28-29-302-001
SITE/IMPROVEMENT SUMMARY:	
<i>Land Size:</i>	±59,855 square feet, or 1.37 acres
<i>Zoning:</i>	CN (Neighborhood Commercial)
<i>Improvements:</i>	Unimproved
<i>Flood Zone/Panel/Date:</i>	X / 49035C0463G / September 25, 2009
HIGHEST AND BEST USE:	
<i>As Vacant</i>	Commercial development as demand is manifest.
<i>As Improved</i>	N/A, the site is unimproved.
SUBJECT PROPERTY:	A 1.37 acre tract of surplus land
CONCLUDED MARKET VALUE ROUNDED:	\$765,000
DATE OF VALUATION: "As Is"	July 13, 2017
DATE OF THE REPORT:	July 14, 17
MARKETABILITY/EXPOSURE:	The subject property is considered marketable, and the marketing time is estimated to be within a 12-month period. The exposure time is six to twelve months.

SUBJECT PHOTOGRAPHS



Subject View Looking South



Subject View Looking North



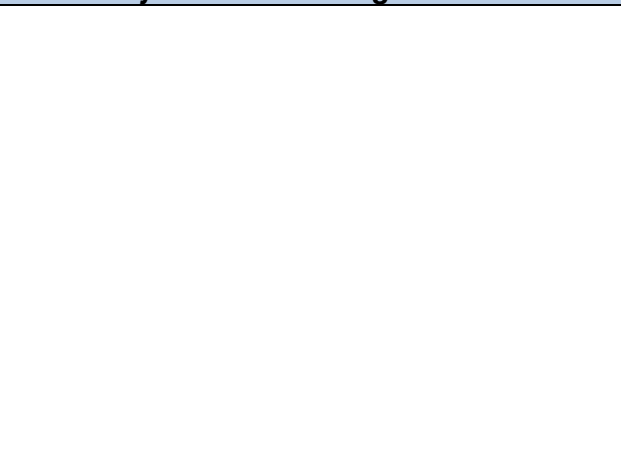
Subject View Looking East



Subject View Looking Southeast



Street Scene: 12200 South Looking East



INTRODUCTION

CLIENT: Mr. Bradly D. Daley
 Surplus Land Program Manager
 Utah Department of Transportation
 Right of Way Division
 4501 South 2700 West, Fourth Floor
 Salt Lake City, Utah 84114-8420

APPRAISER: David P. Holtby
 DH Group, LLC
 4020 South 700 East #2
 Murray, Utah 84107

SUBJECT: A 1.37 acre tract of surplus land
 located on Salt Lake County
 Assessor's Parcel Number(s) 28-29-
 302-001.

SCOPE OF WORK

The purpose of the appraisal is to formulate an opinion of the market value of the subject land for a possible sales transaction. The market value estimate of the appraised property is based on the traditional approach to land value, namely the sales comparison approach. In preparing this appraisal, the following steps were taken:

- The subject site was inspected on July 13, 2017;
- The location, size and scope of the property appraised are determined from County Records and information provided by the Client;
- A highest and best use analysis is completed for the land;
- Comparable information is gathered and confirmed;
- The Sales Comparison Approach is employed to determine the market value of the property;
- The exposure and marketing times are analyzed to determine an appropriate exposure and marketing period for the subject based on the concluded value and market conditions; and
- This report is presented in an Appraisal Report format.

Utah is a nondisclosure state in that sale prices are not reported to the governing agency when recorded. When possible, comparable data used in this report was confirmed with either the buyer, the seller, the broker, or other persons with firsthand knowledge of the transaction. Travis Holtby, an appraiser trainee, provided assistance to the person signing this report by inspecting the subject site, taking photographs and measurements, gathering factual data pertaining to the subject property, highest and best use, selecting comparables, making adjustments and the reconciliation of the final value. No other individuals provided real property appraisal assistance to the person(s) signing this report.

To formulate the opinion of value the appraiser performed an appraisal as defined by the Appraisal Foundation's Uniform Standards of Professional Appraisal Practice.¹ The results of the appraisal have been prepared and communicated in an Appraisal Report format, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. As such, it presents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop an opinion of market value. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. Supporting documentation is retained in the appraiser's work file.

¹ Uniform Standards of Professional Appraisal Practice, Appraisal Foundation, 2016-17 Edition.

TYPE AND DEFINITION OF VALUE

PURPOSE: The purpose of this appraisal is to formulate an opinion of the market value of the subject land for a possible sales transaction.

INTENDED USER: The intended user of this appraisal report is the Utah Department of Transportation.

INTENDED USE OF THE APPRAISAL: Reportedly, this appraisal will be used by the Client to assist in the potential sale of the subject property.

CLIENT: The Client of this report is the Utah Department of Transportation c/o Mr. Bradley D. Daley.

PROPERTY RIGHTS/INTEREST(S) APPRAISED: Fee simple

PERSONAL PROPERTY, FIXTURES, AND INTANGIBLE ITEMS: No personal property, equipment, fixtures, or intangible items are included in the appraised values.

EFFECTIVE DATE(S) OF VALUATION: The property was last inspected on July 13, 2017. The effective date of value “as is” is as of the date of inspection or July 13, 2017. The date of the report is July 14, 17.

SUBJECT STATUS APPRAISED: As per the client’s request, the subject is valued in its “as is” condition as of the effective date of value.

DEFINITIONS:

- **DEFINITION OF MARKET VALUE**

Fair Market value means the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.²

- **DEFINITION OF FEE SIMPLE**

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.³

- **DEFINITION OF VALUE "AS IS"**

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.⁴

- **DEFINITION OF CASH EQUIVALENCY**

In applying this definition of market value, adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs that are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparison to financing terms offered by a third party financial institution that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession, but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.⁵

² Utah Code Title 59-2-102(12).

³ The Dictionary of Real Estate Appraisal, (Fifth Edition) The Appraisal Institute, Chicago, Illinois, 2010.

⁴ The Dictionary of Real Estate Appraisal, (Fifth Edition) The Appraisal Institute, Chicago, Illinois, 2010.

⁵ Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC).

FACTUAL DATA

Identification Of Property:

Address: ±721 East 12200 South, Draper, Utah

Location: Northeast corner of 700 East and 12200 South at ±721 East.

County Parcel Number(s): 28-29-302-001

Owner(s) of Record: Utah Department of Transportation

Legal Description: The legal description for the subject property was obtained from both the Salt Lake County Recorder's Office and UDOT. A map and a legal description indicating the actual size of the subject property as appraised herein was provided by UDOT and shows a land size of 1.37 acres. Reliance is made on the information provided by UDOT as it is the most recent information for the subject property and is considered to be the most accurate. No responsibility is assumed for any inaccuracies that may exist. A copy of the County legal description and the UDOT map/description are located in the addendum of the report. Review of an A.L.T.A. Survey for the subject property is recommended.

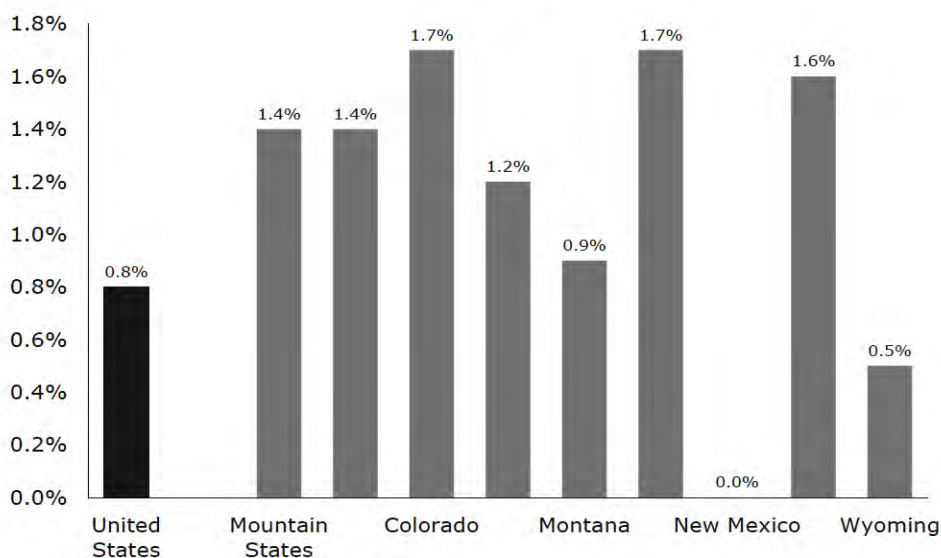
SUMMARY OF AREA INFORMATION

There are social, economic, governmental, and environmental forces, which influence the value and marketability of the subject. The subject is located in the limits of Draper, Utah, located within Salt Lake County. An in-depth look at the State of Utah and Salt Lake County markets are analyzed below. A more specific analysis of the subject neighborhood will follow in the summary of neighborhood information section to follow.

Population/Growth:

According to the *2017 Economic Report to the Governor*, Utah's estimated official July 1, 2016 population was 3,209,000 an increase of 0.7 percent from 2015. The following table summarizes the population components of the State of Utah as compared to surrounding mountain states during 2012-2015. This data was obtained from the *2017 Economic Report to the Governor*.

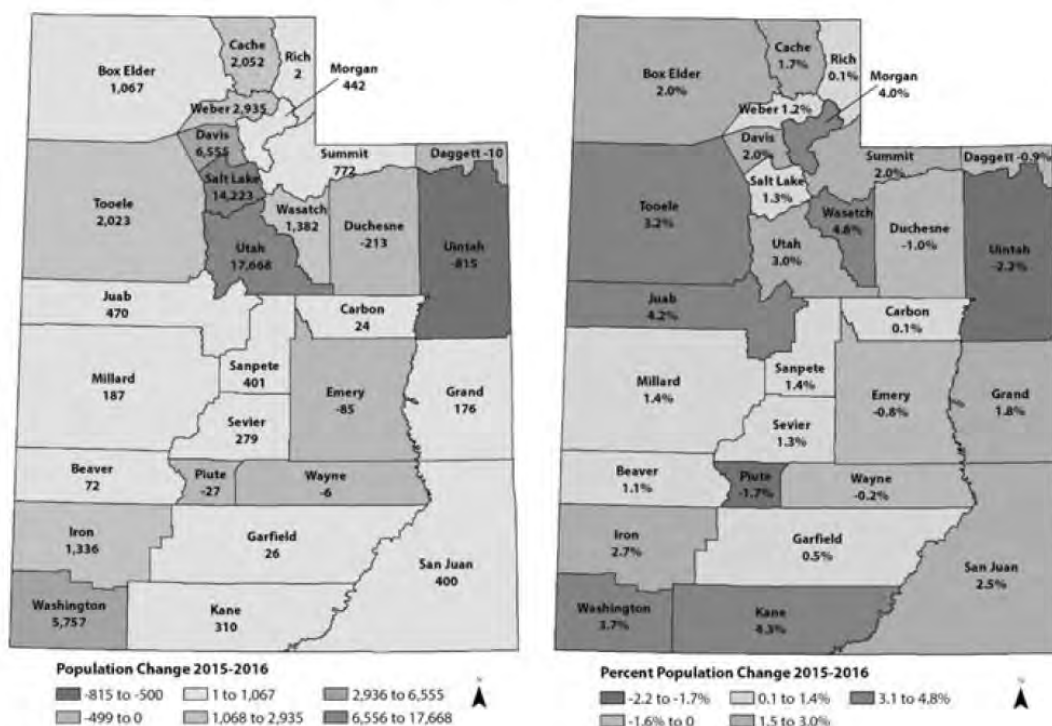
Figure 12.1
Annualized Population Growth:
2012-2015



Source: U.S. Census Bureau

The following graphic shows the population changes to the individual counties within the state of Utah and was obtained from the *2017 Economic Report to the Governor*.

Figure 4.2
Utah Population Growth by County: 2015 to 2016



Source: Utah Population Committee

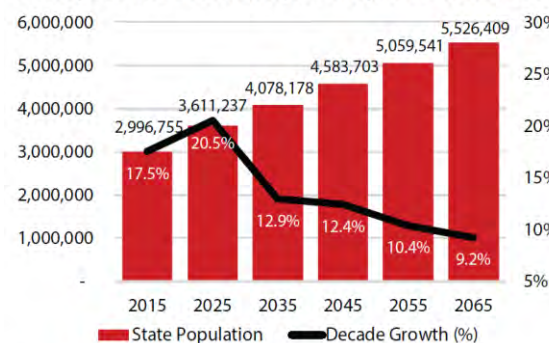
The demographic profile of the state and the US is presented in the following table. Utah ranks near the top in each of the categories.

Utah Demographic Profile

	Utah	U.S.
Fastest population growth (2015 - 2016)	2.0%	0.7%
Highest fertility rate (2015)	2.29	1.84
Youngest median age (2015)	30.7	37.8
Persons under 18 years (2015) (Utah ranks 1st)	30.5%	22.9%
Persons 65 years and over (2015) (Utah ranks 49th)	10.3%	14.9%
Largest household size (2015)	3.17	2.65
Life expectancy (2010) (Utah ranks 10th)	80.2	78.9

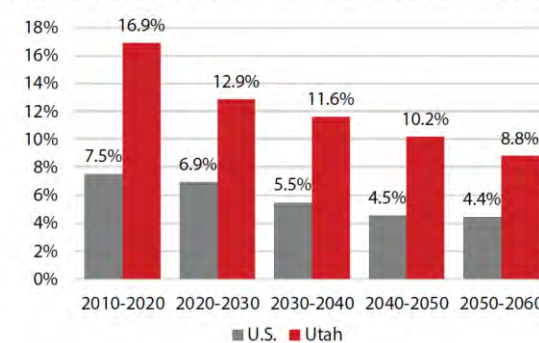
The demographic projections for Utah appear to be favorable. The following is the projected population growth through 2060 as reported by the Kern C. Gardner Policy Institute. Utah appears to continue to outpace the United States over the projection period.

Figure 3
Utah Population and Growth Projections by Decade: 2015-2065



Sources: Kern C. Gardner Policy Institute 2015-2065 State Projections; DemographyUTAH Population Committee 2015 Population Estimates

Figure 4
Projected Percent Growth by Decade: Utah and the United States



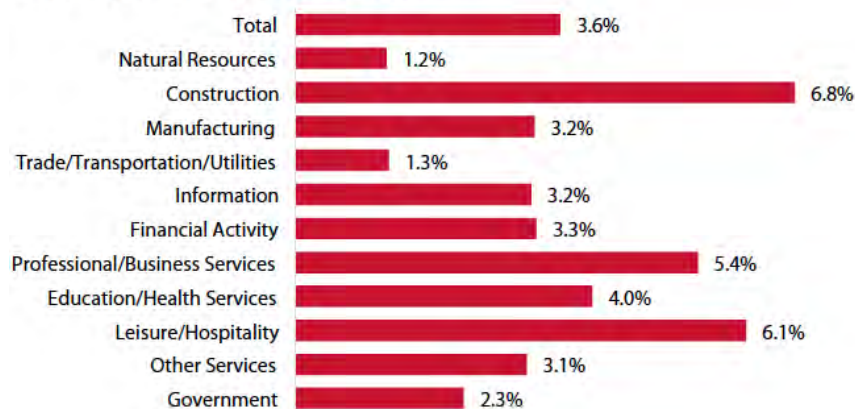
Sources: Census Bureau 2014-2060 National Projections; Kern C. Gardner Policy Institute 2015-2065 State Projections

Economy:

Utah's economy remains healthy with every major sector having expanded during 2016. An estimated 49,500 new jobs were created during 2016 and annual employment growth rates were 3.6 percent above the state's long-term average. The state's unemployment rate of 3.6% is the same as it was during 2015 and Utah ranks first in the United States. The following tables illustrate the state unemployment rate percent change by sector as well as the states with the strongest growth rates during 2016.

Utah Nonfarm Industry Profiles 2016

Employment Percent Change

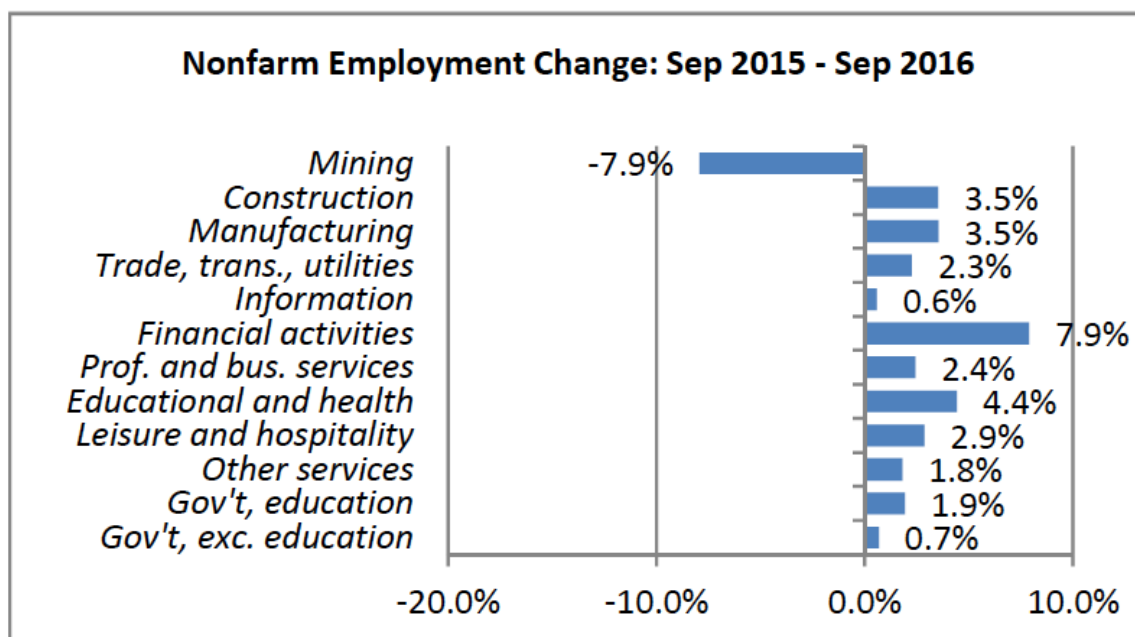


States with Strongest Job Growth 2016



Employment Performance

Nine of Utah's ten private sectors posted employment growth over the previous 12 months. The following table illustrates the performance by industry from September 2015 to September 2016 as reported by the Governor's Office of Management Budget:

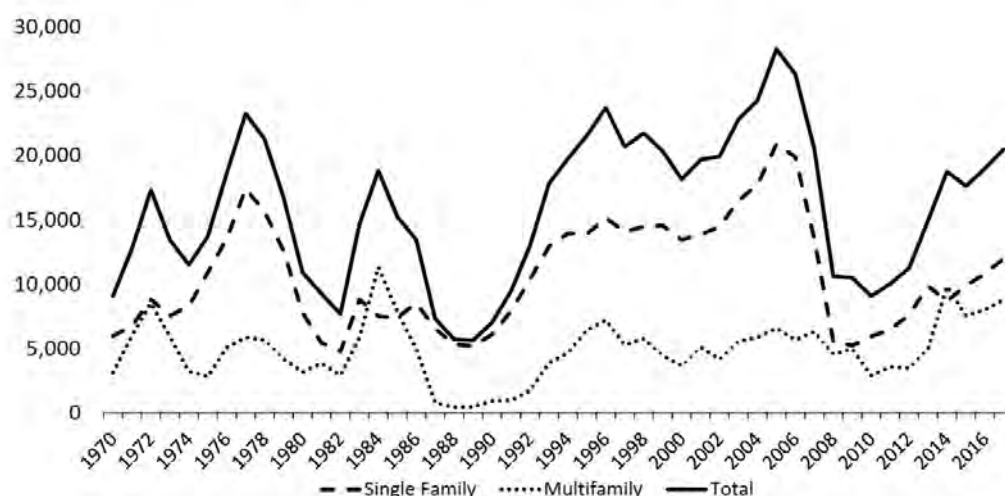


Construction:

Overall construction grew by 6.8 percent during 2016. The overall value of permit-authorized construction in 2016 is estimated at \$7.5 billion an all-time high in current dollars and the fourth highest year ever in inflation adjusted dollars. Residential construction decreased to \$3.9 billion, 3 percent lower than 2015. However, residential building permits increased from 17,629 in 2015 to approximately 19,000 in 2016. Home building in 2016 continued its gradual but steady recovery from the Great Recession. The Governors Office notes that “typically, six years after the trough construction has fully recovered to the pre-recession peak. In this cycle however, despite historically low interest rates, the recovery is only at about 67 percent of the pre-recession peak. (19,000 new residential units in 2016 versus 28,300 units in 2005). Non-residential construction activity was up 19 percent over 2015 with a historic high of \$2.5 billion in 2016.

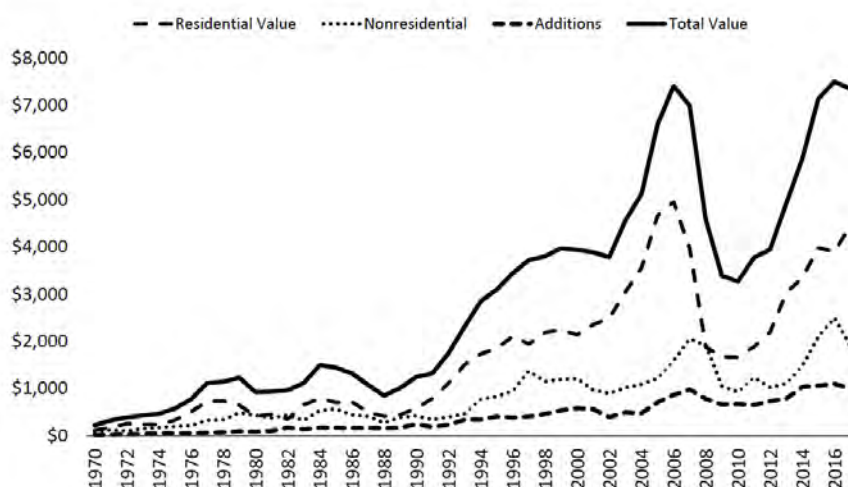
The following graph shows the “Utah Residential Construction Activity” since 1970 followed by the “Value of Permit Authorized Construction in Utah” over the same time-frame.

Figure 18.1
Utah Residential Construction Activity



Source: Ivory-Boyer Construction Database, Kem Gardner Policy Institute, University of Utah.

Figure 18.2
Value of Permit Authorized Construction in Utah



Source: Ivory-Boyer Construction Database, Kem Gardner Policy Institute, University of Utah.

The outlook for 2017 for permit authorized construction is off about two percent from 2016 to a figure of \$7.35 billion. The value of residential construction is expected to increase by fourteen percent to \$4.45 billion. Cost increases will push residential values higher but just as important is the increase in the number of residential units, which is forecast to increase from 19,000 units in 2016, to 20,500 units in 2017. Most of the increase will be concentrated in single-family homes while multi-family permits will increase to 8,800 units.

Outlook:

The Governors Office forecasts moderating – but still healthy – job and wage growth, low unemployment, and increased net in-migration in 2017. Internal risks to the Utah economy include supply of workers, education warning signs and air quality. Additionally, potential federal trade policy changes, normalization of monetary policy and geopolitical instability could also present challenges. Advantages for Utah include an appealing business climate, and increasing labor force participation will continue to be an advantage. Most importantly Utah's economy is projected to once again, be one of the top performing economies in the nation during 2017.

NEIGHBORHOOD DESCRIPTION

Please see the neighborhood map attached to the addenda.

Neighborhood characteristics impact the value of real estate. Therefore, an overview of the subject neighborhood is presented below.

Proximity/Jurisdiction

The subject property is located on the northeast corner of 700 East and 12200 South at ± 721 East in Draper City. The subject is located approximately ± 20 miles south of the Central Business District (CBD) of Salt Lake City.

The neighborhood is within the jurisdiction of Draper City. Both the City and Salt Lake County provide all major services and control development within their borders.

Adjacent Properties

Adjacent properties are generally compatible with the subject as follows:

North	Residential
South	Residential/Commercial
East	Residential
West	Residential

Neighborhood Life Stage

According to *The Appraisal of Real Estate*, neighborhoods evolve through four stages. These stages are as follows:

1. Growth - a period during which the neighborhood gains public favor and acceptance.
2. Stability - a period of equilibrium without gains or losses.
3. Decline - a period of diminishing demand.
4. Revitalization - a period of renewal, development, modernization, and increasing demand.

The immediate neighborhood is in the growth life stage.

Detrimental Influences:

In general, the real estate in the neighborhood does not appear to be adversely affected by any known detrimental influences.

SITE DESCRIPTION

Please see the property plat(s) attached to the addenda of the report.

Deeds/ownership records provided by the client indicate the subject site comprises one parcel of land totaling ± 1.37 acres or 59,855 square feet. Review of an A.L.T.A. Survey of the subject property is recommended.

General Site Data:

<i>-Land Area</i>	$\pm 59,855$ square feet, or 1.37 acres
<i>-County Parcel No.</i>	28-29-302-001
<i>-Street Orientation</i>	Interior.
<i>-Shape</i>	Irregular.
<i>-Frontage</i>	Adequate frontage along 12200 South (see UDOT map).
<i>-Access</i>	Via 12200 South.
<i>-Depth</i>	Varies (see UDOT map).
<i>-Topography</i>	Mostly level; at street grade with the adjoining/adjacent property and the adjacent roadways.
<i>-Drainage</i>	Natural drainage is westerly.
<i>-Soil</i>	Soil studies have not been made available to the appraiser. Soil stability is assumed to be adequate for slab on grade construction. Review of a geo-technical investigation prepared by a qualified engineer/firm is recommended.

- Wetland Areas* A GIS aerial overlay and wetland study indicating the existence of wetlands was not provided. The specific subject property is located in an X flood zone, panel number 49035C0463G, dated September 25, 2009. Thus, the parcel does not appear to be classified as wetlands or have and wet-type land characteristics. A review of a wetlands investigation by a qualified firm is recommended.
- Adjacent Properties* Adjacent properties are as follows:
- | | |
|---------------|------------------------|
| <i>North:</i> | Residential |
| <i>South:</i> | Residential/Commercial |
| <i>East:</i> | Residential |
| <i>West:</i> | Residential |
- Street Improvements* 12200 South is a two-lane (one lane per direction of travel) asphalt paved roadway that is further improved with concrete curb, gutter and sidewalk.
- Traffic Counts (AADT)* 1,825 in 2014 along 12200 South and 12,425 in 2014 along 700 East.
- Utilities* Utilities are provided to the subject area, and are considered adequate and typical for the area.
- Abutting Rights-of-Way* 12200 South.
- Easements, Restrictions and Encroachments* It is noted that the East Jordan Canal is located along the western edge of the property. This is not considered to be a detriment to the subject property. No title report or other source reference was provided, with regard to determining any easements that might affect the subject. It is assumed that there are no such easements, or other restrictions, that

would have a material impact on the subject. It is assumed that there are no unusual easements that affect the subject site. Review of the A.L.T.A. Survey is recommended.

-Special Hazards

Flood Zone: X (Outside the 500 year flood plain); Community Panel #49035C0463G; dated September 25, 2009. A copy of the applicable section of the flood zone map is attached in the addenda.

Environmental: No environmental study was provided to the appraiser. This analysis assumes that no hazardous materials exist on site. If hazardous materials were found onsite, the value estimate may be subject to change. Review of a Phase I environmental assessment specific to the subject property, prepared by a qualified engineer/firm is recommended.

Earthquake Zone: The subject is in a very low/moderate liquefaction zone. It is not unusual with regard to development.

-Zoning: The subject is zoned CN (Neighborhood Commercial), under the jurisdiction of Draper City. According to Draper City Zoning Ordinance Section 9-8-020, the purpose of the CN zone is "to provide areas where convenience buying outlets, having small trade areas, may be established to serve surrounding residential neighborhoods. This zone is intended to promote a combination of retail and service facilities which, in character and scale, meet day to day needs of nearby residents." Surrounding properties are similarly zoned, either commercial or residential in nature.

IMPROVEMENT DESCRIPTION

The subject property is unimproved and this section of analysis does not apply.

RECENT HISTORY OF THE PROPERTY:

The current owner of record is the Utah Department of Transportation. According to the Salt Lake County Recorders Office and deeds that were recorded when the property was acquired, the property was obtained by UDOT in 2003 as part of UDOT Project No. S-0071(14)4. No other transfer deed information was located during the previous five years. According to the Client, the subject property has been declared surplus by UDOT and they intend to market and sell the property.

I am not aware of any additional listings or sales of the subject within the last five (5) years.

REAL ESTATE TAXES & ASSESSMENTS:

For taxes and assessment data of the appraised property is under the jurisdiction of Salt Lake County. The tax and assessment information is applicable for 2016 and has been obtained from the Salt Lake County Treasurer's and Assessor's Office. It is noted that as the subject is owned by a state entity, it is tax exempt thus, only assessment information is available for the subject. The real estate assessment information for the subject for 2016 is indicated in the following table.⁶

2016 Assessment and Tax Information									
Parcel	Assessed Value				Taxable Value	Total Taxes			
	Land	Improvements	Total	Exemptions		Tax rate	Ad Valorem Tax ¹	Special Assessments ²	Total Tax
28-29-302-001	\$1,199,600	\$0	\$1,199,600	(\$1,199,600)	\$0	0.0000000	\$0.00	\$0.00	\$0.00
¹ Applies to real estate only. Taxes on personal property, improvement fixtures, etc., if any are excluded. ² Special assessments include bond payments and/or other taxes that do not vary according to assessed value. Source: Salt Lake County									

It is noted that the assessed value is typically computer generated and is not specific in adjustments. Thus, limited weight is placed on the assessed value as a market value indicator.

⁶ Taxes in Utah are calculated by applying a tax rate to taxable value. Taxable value is a percentage of the assessor's estimate of market value. The percentage is 100 percent for commercial properties and about 67 percent for residential properties. The tax rate varies depending on a given county's budget.

HIGHEST AND BEST USE

A market value estimate requires a highest and best use analysis of the subject site. The highest and best use analysis determines the basis on which the appraised property is evaluated.

The definition of highest and best use is:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.⁷

Highest and best use refers to a determined use for the land that develops the highest return over a prolonged period of time. Highest and best use does not necessarily refer to the size of a building, where it is located on the site, or its amenities.

Permitted uses, as designated by zoning or detailed by deed restrictions, are very important. Building and economic trends, location, neighborhood conditions, and maintenance are all important characteristics that should be considered. Zoning is a determinant of use, but it is not necessarily final. Variances may be granted or a zoning may be changed; however, a planned use likely would need to be in accordance with the master plans, trends, and established patterns of development for an area.

Two procedures are used to determine a property's highest and best use. The first is an analysis of the site as if vacant. The second is an analysis of the proposed or existing improvements and their influence upon the site's highest and best use. The use(s) concluded in the analyses to be highest and best must meet the criteria of being 1) physically possible, 2) legally permissible, 3) financially feasible, and 4) maximum productivity.

⁷ The Appraisal of Real Estate, (thirteenth edition) The Appraisal Institute, Chicago, Illinois, 2008.

Highest and Best Use of the Subject As Vacant

Physically Possible

The subject property has adequate frontage along 12200 South (see UDOT map) and contains a total of ±59,855 square feet, or 1.37 acres. The subject is irregular in shape, with a mostly level topography, and drainage is westerly. All necessary utilities are available and the subject is in an X flood zone. No other major physical characteristics limit development other than size. Any use should conform to typical code requirements.

Legally Permissible

There are generally two areas of concern regarding legally allowable improvements to a property. The first is associated with title or deed restrictions, which can limit the potential uses of a property. The second is associated with zoning ordinances, which often limit both the type and size of development constructed on a site. No deed restrictions, easements, or rights-of-way are believed to exist that would restrict the development of the parcel. Potential uses are limited only by permissible and legal uses allowed in the zoning classification for the subject property.

The subject property is under the jurisdiction of Draper City and is zoned CN (Neighborhood Commercial). The CN zone is a commercial zone that allows for small scale retail type developments. The majority of the land near the subject property is similarly zoned.

Financial Feasibility

A financially feasible use must be one that can provide the highest return on an improvement over a prolonged period of time. The use will be constrained by zone restrictions and the physical characteristics of the land. Also considered are current economic trends, neighborhood influences, and existing supply/demand characteristics, as they pertain to real estate.

Location has a significant impact on the potential uses that are financially feasible. The subject property is located on the northeast corner of 700 East and 12200 South at ±721 East in Draper, Utah. The site has average visibility and is located in an area favorable for commercial type developments.

Maximally Productive Use and Conclusion As Vacant

After considering the criteria of highest and best use, the highest present land value, as if vacant, is obtained by a commercial/retail type development as justified by demand. The most likely user of the subject property would be a developer intending to develop the subject property in accordance with the highest and best use.

Highest and Best Use of the Site As Improved

The subject property is unimproved and this section of analysis does not apply.

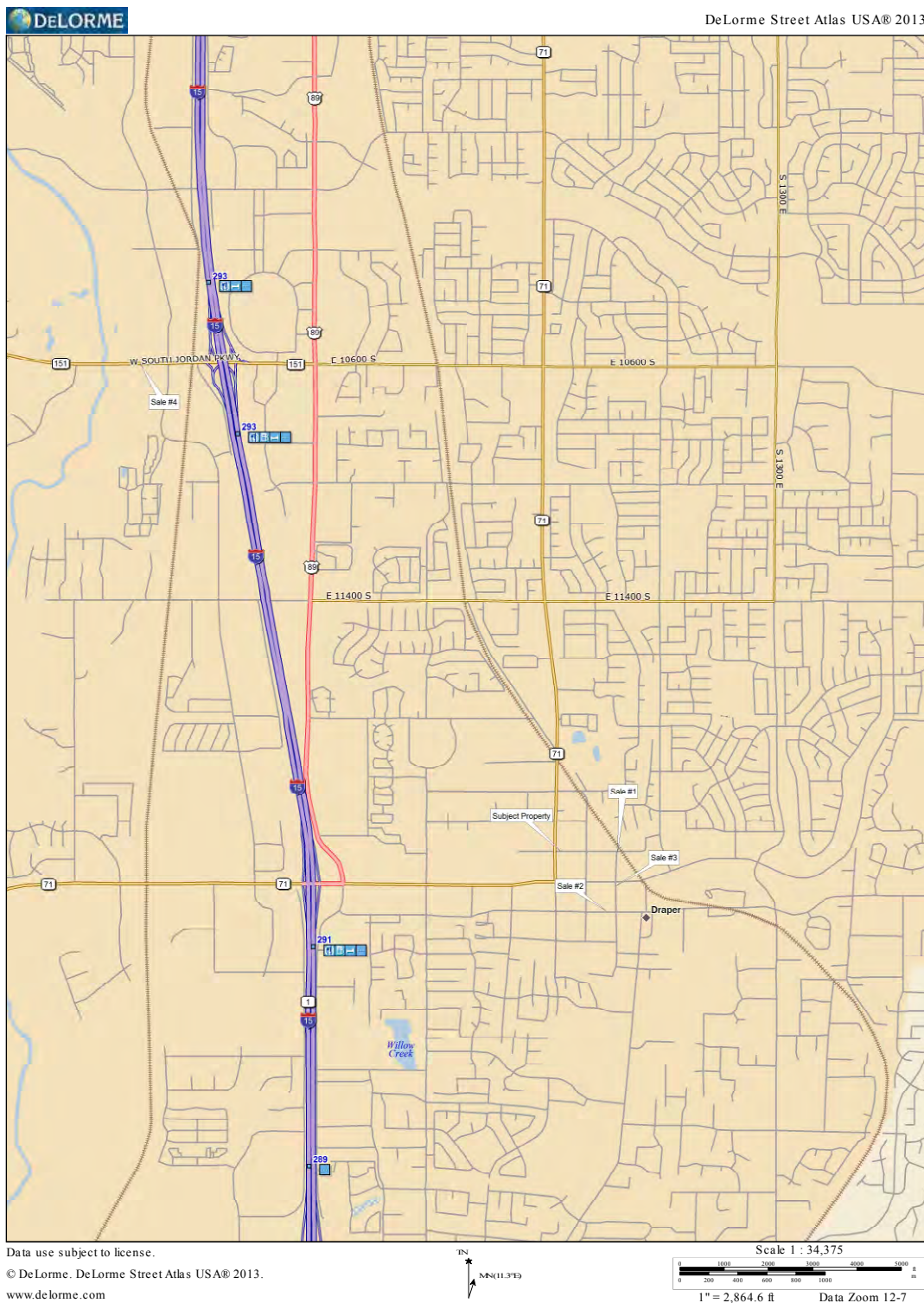
LAND VALUATION

The sales comparison approach forms the basis for this method of land valuation. The Sales Comparison method of valuation is completed to provide an estimate of the property's "as is" market value through a comparative analysis of land sales. This involves obtaining land sales with similar characteristics and comparing those sales to the subject site. Adjustments are made to the comparables for differing features. The adjusted values of the comparables are then reconciled into a single estimate of value for the subject land. The unit of comparison is the price per square foot.

The following table is a summary of the land sales used in this report. Complete data sheets are located within the addenda of the report.

Summary of Comparable Land Sales (Before Adjustments)				
Comp. #	1	2	3	4
Address	901 East 12200 South	857 East 12400 South	12325 South 900 East	511 West South Jordan Parkway
City/Utah	Draper	Draper	Draper	South Jordan
County	Salt Lake	Salt Lake	Salt Lake	Salt Lake
Parcel #	28-29-326-006	28-29-310-023	28-29-329-002	27-13-301-009
Land				
Size(SF)	10,454	34,412	13,939	93,218
Acres	0.24	0.79	0.32	2.14
Topography	Mostly Level	Mostly Level	Mostly Level	Mostly Level
Configuration	Nearly Rectangular	Rectangular	Rectangular	Nearly Rectangular
Orientation	Interior	Interior	Interior	Minor Corner
Street	Asphalt	Asphalt	Asphalt	Asphalt
Utilities	All Available	All Available	All Available	All Available
Zoning	CN	TC	TC	MU-TOD
Sales Date	Jun-17	Mar-16	Oct-14	Jul-16
Rights Trans.	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Terms	Cash or Equiv.	Cash or Equiv.	Cash or Equiv.	Cash or Equiv.
Seller	Nicoles Enterprises LLC	857 Pioneer	Snow Country Lodging	Trejour Investments LLP
Buyer	Ryan Jedd Olsen	Craig & Janet Buhler	Pioneer Valley Properties	South Jordan Hospitality, LLC
Verification	Lyndi Reed, Agent	Craig Hawker, Agent	Michael Hoffee, Agent	Randy Campbell, Agent
Sales Price	\$110,000	\$490,000	\$195,000	\$1,326,402
\$/Sq.Ft.	\$10.52	\$14.24	\$13.99	\$14.23
\$/Acre	\$458,333	\$620,253	\$609,375	\$619,814

COMPARABLE SALES MAP



ANALYSIS AND RECONCILIATION OF LAND SALES

Market evidence and appraiser judgment determined the degree of adjustment made to each sale. The adjustments are largely subjective. However, each adjustment made reflects careful consideration and analysis of various factors. The factors considered in any adjustment include an analysis of paired sales data, when they are available, and information acquired from market participants. Also considered are the costs associated with bringing a site to a developable condition. It is believed that the adjustments made correspond closely with the thinking of market participants and allow for a tighter frame of reference when comparing sales data to the subject site. The unit of comparison for each sale is the price per square foot.

If needed, dollar adjustments were made in the areas of property rights conveyed, conditions of sale, and financing. The resulting value reflects the “normal sales price” of the comparable. Percentage adjustments were then made to account for market conditions that change over time. Thereafter, additive percentage adjustments were made in each of the remaining areas of analysis. This is described in detail below.

PROPERTY RIGHTS CONVEYED: Each sale reportedly included the transfer of a fee simple title to the buyer(s). The property rights conveyed were similar to those appraised. Therefore, none of the comparables require an adjustment for property rights.

FINANCING TERMS: The value shown for a comparable is a cash-equivalent value. When a seller writes a contract with a buyer and the seller has financing terms better than those available in the market, the seller is often paid a higher price for the property. These circumstances require an adjustment to the sale. All sales were sold on a cash-to-seller basis or similar terms and no adjustments are necessary.

CONDITIONS OF THE SALE: Conditions of sale refer to influences surrounding the sale process, which result in less than an arm’s length transaction. All of the sales were reported as arm’s length transactions and no adjustments are warranted.

EXPENDITURES AFTER PURCHASE: Expenditures made immediately after purchase may include the cost to demolish and remove any buildings, cost to petition for a zoning change, or cost to remediate environmental contamination. None of the comparables reported any expenditures made after purchase, and no adjustments are made.

MARKET CONDITIONS: Market conditions refer to price changes occurring over time due to various market forces. Values change over time due to various market forces interacting, particularly supply and demand. Prior to 2007 the market was strong for nearly all property types and prices increased at a rate above inflation. Prices stabilized and in some cases declined during mid 2007-2012. As previously indicated the subject market has been steadily increasing since the fourth quarter of 2012 to the present. Therefore, an upward adjustment of 5.0% annually is applied to each comparable for improving market conditions.

LOCATION FACTORS: Location refers to access, exposure, attractiveness of surrounding properties, and proximity to surrounding support services. The subject is located at approximately ±721 East 12200 South, Draper, Utah. Access to transportation routes is considered good. Proximity to surrounding support services is rated average.

The subject property is located at ±721 East 12200 South, which is a desirable area of the subject market. Comparable 4 is located in an area deemed superior to the subject and a negative adjustment is warranted. All of the remaining comparables are located in a similar area to the subject and no adjustment is applied.

PHYSICAL CHARACTERISTICS: The physical characteristics of the subject property are similar to many of the physical features of the comparables. Adjustments were made in the following areas:

Size: Small land parcels often sell for a higher unit price than do large ones, as they are less risky to develop. Development risk increases in proportion to the difficulty of maximizing the development potential of a parcel of land. Larger tracts of land often require the construction of a larger building or even multiple structures in order to maximize development potential. Also, the time frame for construction generally increases, which often puts the developer at a greater risk. Consequently developers are often willing to pay a higher unit price for smaller, less risky parcels of land. The subject property contains ±59,855 square feet. Comparable 4 is slightly larger than the subject and a positive adjustment is applied. All of the remaining comparables are smaller than the subject and a negative adjustment is warranted.

Topography/Developability: Adjustments made for this area of adjustment recognize those differences in a site's topography and/or need of fill in order to accommodate development. Typically, sites that are relatively level with stable and adequate fill conditions, sell for a higher per unit basis. The reason is that there is less site work cost incurred on a buyer's part in bringing these sites into a developable condition versus a site that has a sloping or undulating terrain and/or one that is in need of fill. The topography of the subject is mostly level as are the comparable sales thus, no adjustment is applied under this section of analysis.

Configuration/Shape: Adjustments made for this area of adjustment recognize those differences in a site's configuration and/or shape. Typically, sites that are relatively square or rectangular are considered superior to sites that are irregular and make more difficult any potential development. The subject site is irregular in shape however, it is not restrictive in regards to development, which is true for all of the comparables thus, no adjustment are needed for configuration/shape.

Street Orientation: This factor refers to interior versus corner parcels. Corner parcels typically command higher prices due to superior ingress and egress as well as exposure factors for commercial parcels. The inverse is true for residential tracts. Corner lots are inferior to interior or cul-de-sac parcels. The subject property is an interior parcel and has frontage and access along 12200 South. Comparable 4 is a corner parcel which is

superior to the subject and a negative adjustment is applied. The remaining comparables are similar to the subject and no adjustment is warranted.

Utilities: The subject property has all utilities available. All of the comparable sales have access to all utilities and no adjustments are applied under this area of analysis.

Zoning: The subject property is zoned CN (neighborhood commercial). All of the comparables are similarly zoned and no adjustment is warranted under this section of analysis.

The adjustment grid outlining the previously detailed adjustments is as follows:

LAND ADJUSTMENT GRID					
Subject Location:	±721 East 12200 South, Draper, Utah				
Size: (Sq.Ft.)	59,855				
COMPARABLES SALES					
	Subject	1	2	3	4
Sales Price		\$110,000	\$490,000	\$195,000	\$1,326,402
Adjustments:					
Property Rights		\$0	\$0	\$0	\$0
Adjusted Price		\$110,000	\$490,000	\$195,000	\$1,326,402
Financing Terms		\$0	\$0	\$0	\$0
Condition of Sale		\$0	\$0	\$0	\$0
Expenditures		\$0	\$0	\$0	\$0
Adjusted Price		\$110,000	\$490,000	\$195,000	\$1,326,402
Date of Sale		Jun-17	Mar-16	Oct-14	Jul-16
Market Conditions		\$428	\$31,986	\$26,704	\$63,188
Adjusted Price		\$110,428	\$521,986	\$221,704	\$1,389,590
Unit of Comparison					
Square Feet	59,855	10,454	34,412	13,939	93,218
Price Per Sq.Ft.		\$10.56	\$15.17	\$15.91	\$14.91
Other Adjustments:					
Location		0%	0%	0%	-10%
Physical Characteristics					
Size		-10%	-5%	-10%	5%
Topography/Developability		0%	0%	0%	0%
Configuration		0%	0%	0%	0%
Utilities Available		0%	0%	0%	0%
Street Orientation		0%	0%	0%	-10%
Street Improvements		0%	0%	0%	0%
Encumbrances		0%	0%	0%	0%
Adjusted Price Per Sq.Ft.		\$9.51	\$14.41	\$14.31	\$12.67
Gross % Change		10%	12%	24%	30%
		Low	High	Median	Mean
Adjusted Value Range		\$9.51	\$14.41	\$13.49	\$12.73

RECONCILIATION OF LAND VALUE

After making adjustments, the adjusted sales range from \$9.51 to \$14.41 per square foot. The indicated mean for the comparable sales is \$12.73 per square foot with a median value of \$13.49 per square foot. Each of the comparable is given equal weight in the reconciliation.

After reviewing characteristics of the subject and the comparable sales, a concluded market value at \$12.75 per square foot is considered appropriate and is bracketed by the comparables before and after adjustments. The indicated value of the subject property is calculated as follows:

$$\text{Subject Land -- 59,855 Sq.Ft.} \times \$12.75 \text{ per square foot} = \$763,151$$

RECONCILIATION AND FINAL ESTIMATE OF VALUE

The Sales Comparison Approach was used to formulate an opinion of the market value of the subject land. This method adequately accounts for investor motivation, which is directly tied to the principle of substitution, which states that a potential buyer will pay no more for a property than he or she would for a similar property with comparable characteristics and utility.

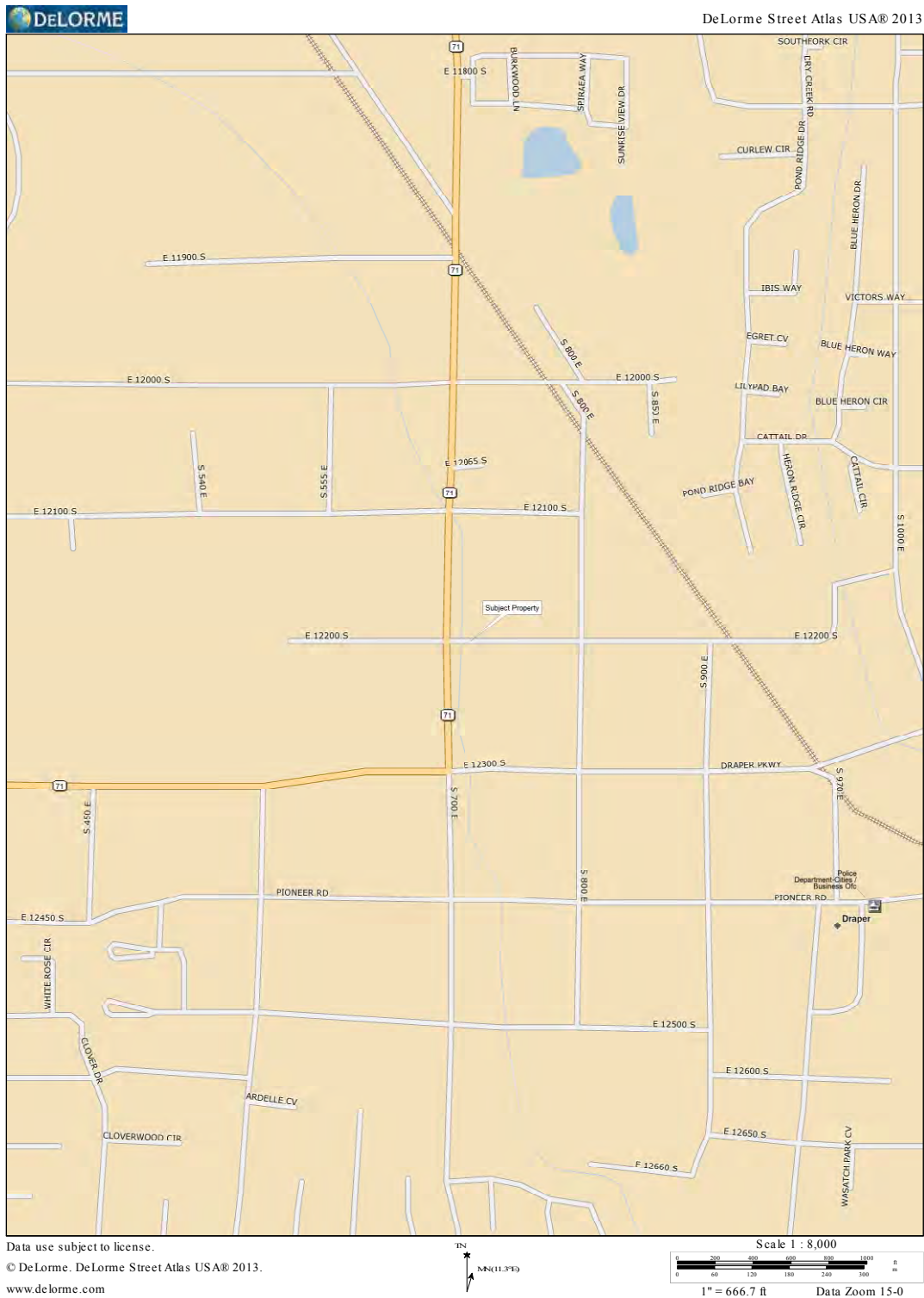
After analyzing all of the data presented in the report, I am of the opinion that the market value of the subject property, as of July 13, 2017, is:

**SEVEN HUNDRED SIXTY FIVE THOUSAND DOLLARS
(\$765,000)**

The marketing period of the subject property would be strongly influenced by the asking price, market conditions, and the efforts to sell the subject property. However, based on current market conditions and available market data, it would appear that the subject property as it is currently improved, if properly marketed, would need an exposure time of six to twelve months. Likewise, being properly marketed, the subject could be sold within a 12-month period from the date of this appraisal.

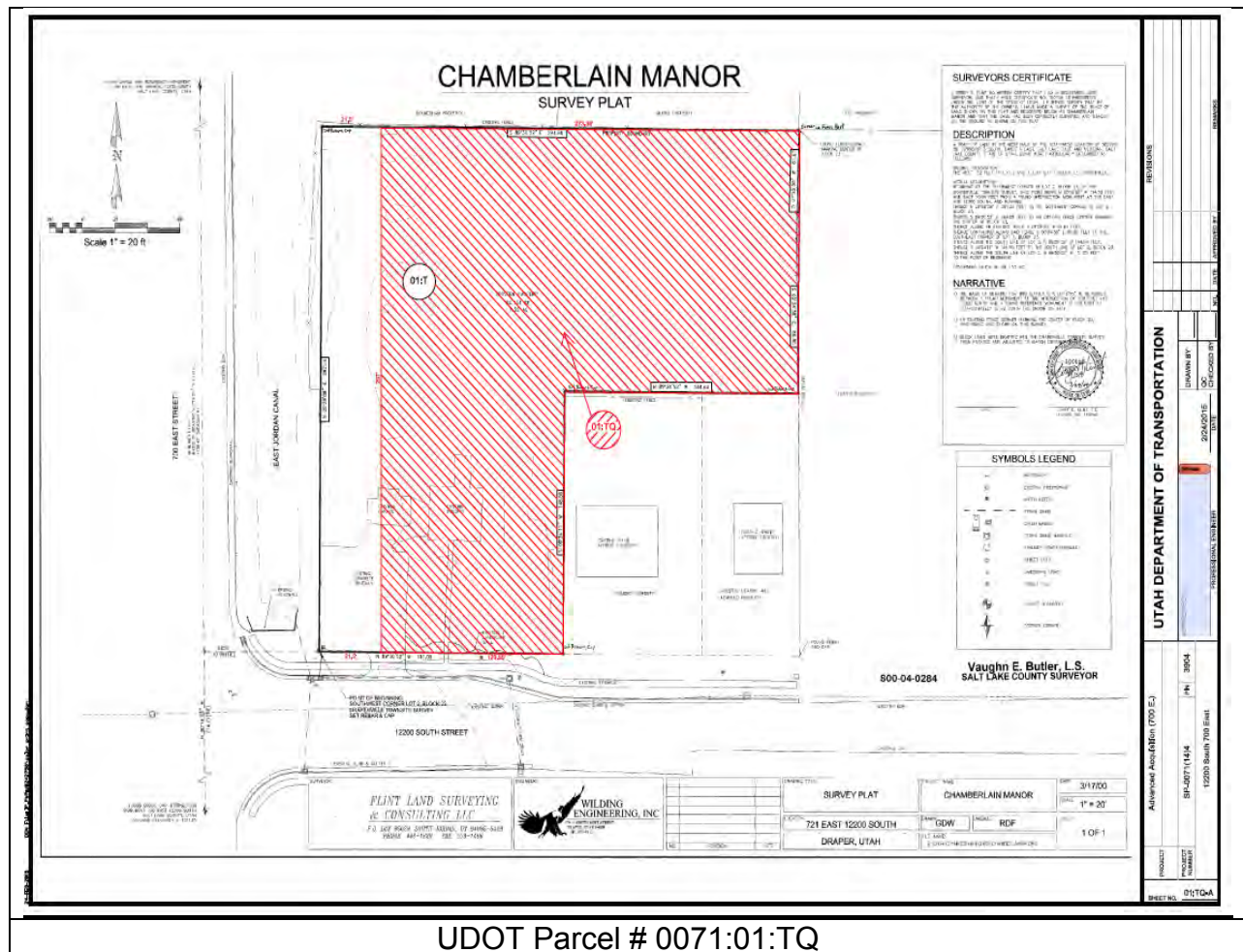
Addenda

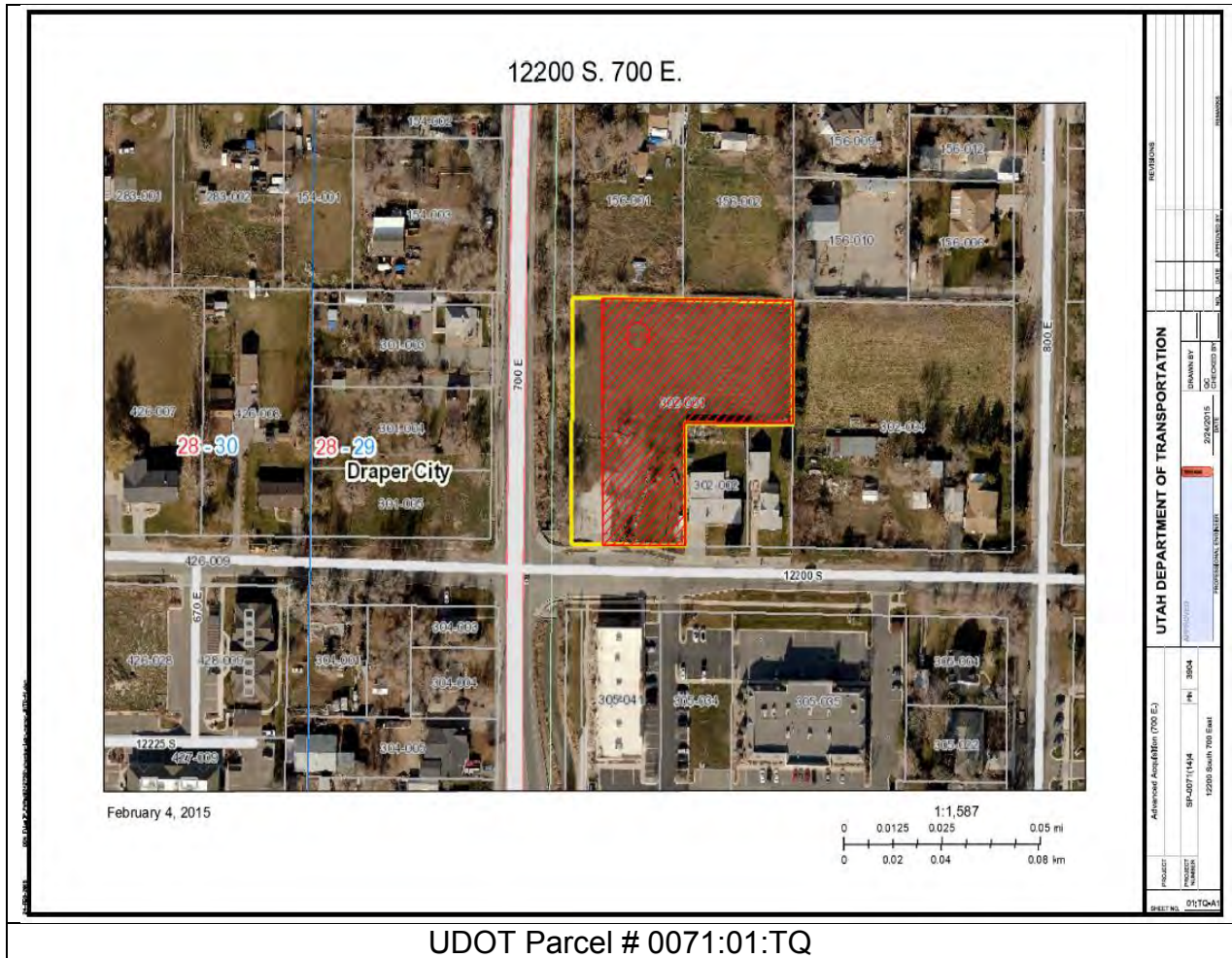
LOCATION MAP

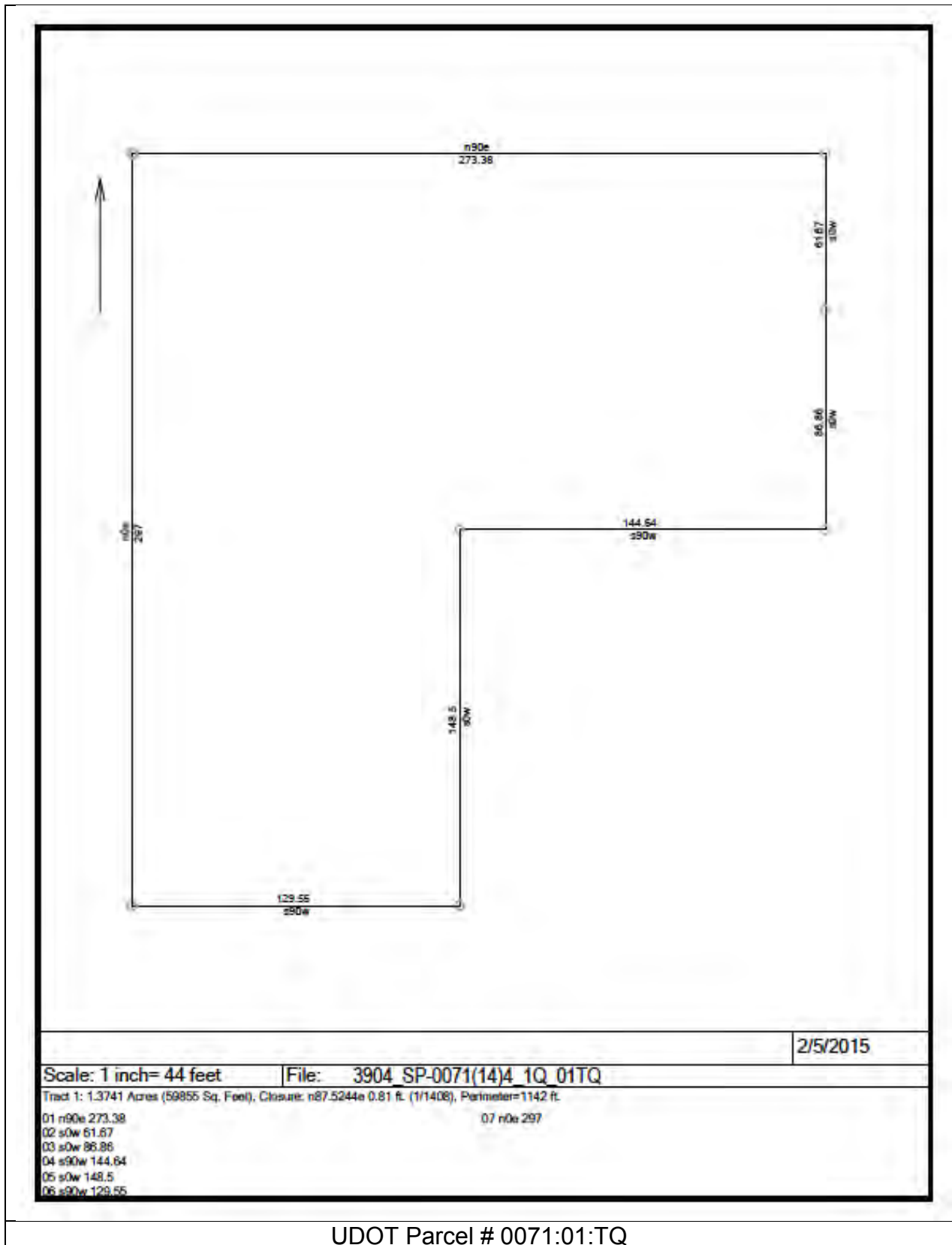


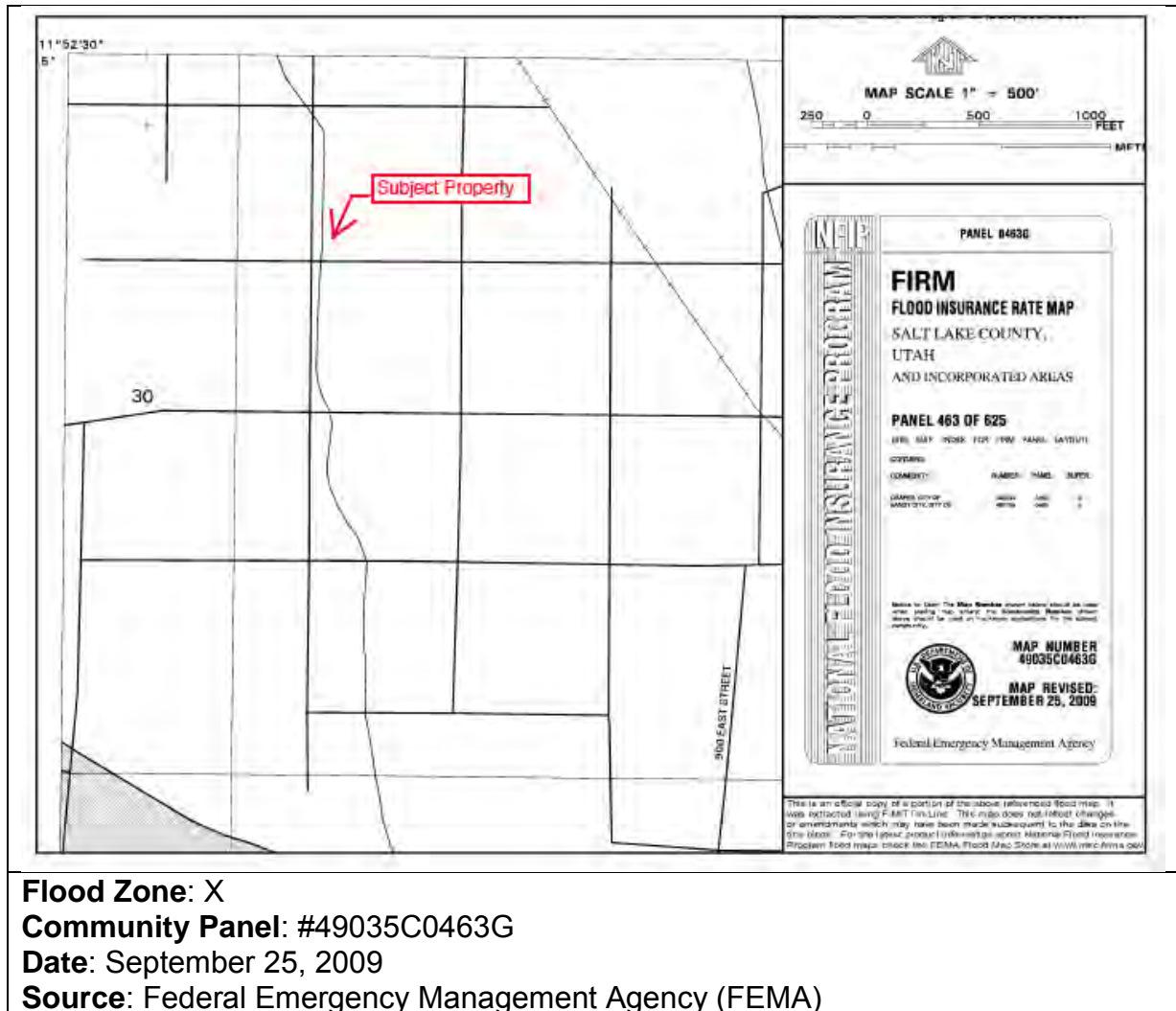
COUNTY GIS MAP



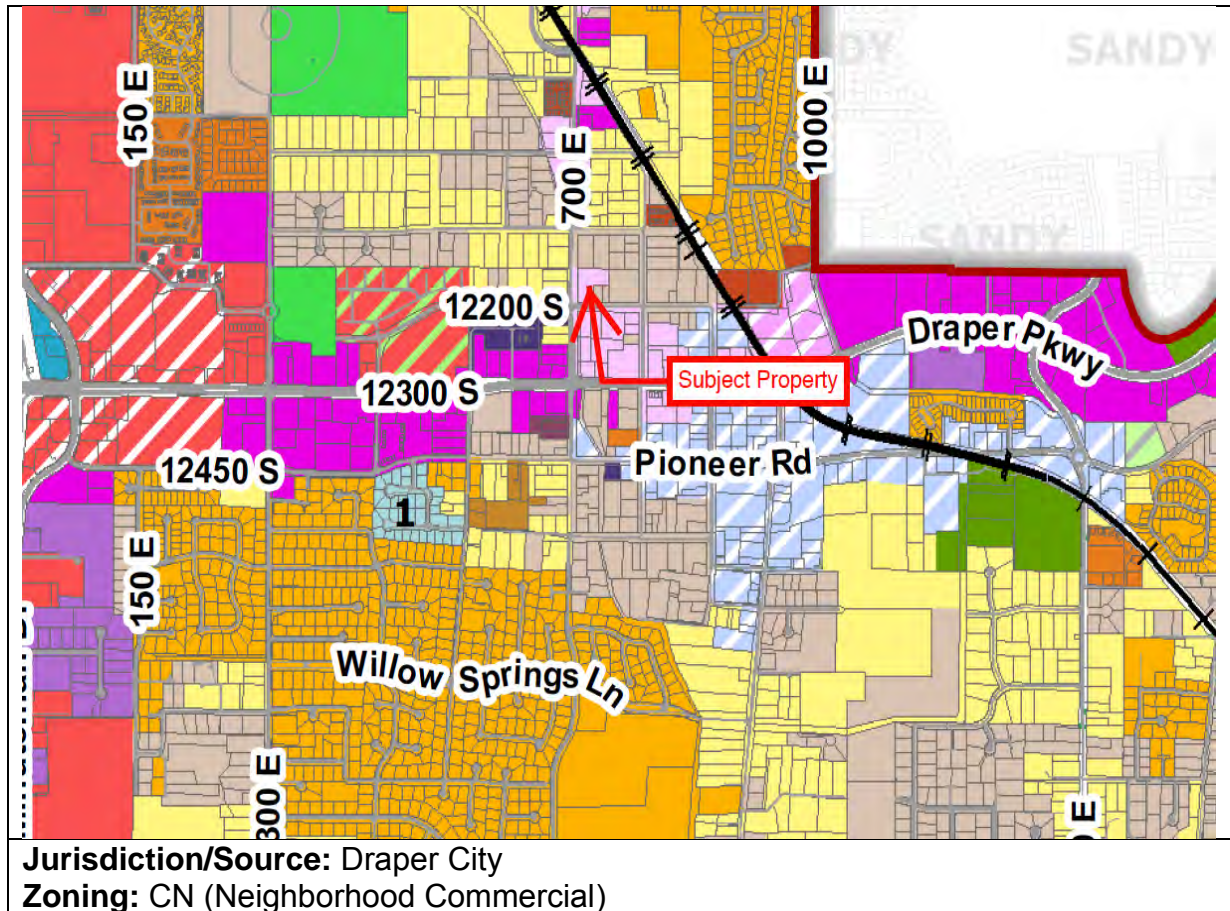
UDOT STRIP MAPS






FLOOD MAP

ZONING MAP




COMPARABLE DATA SHEETS

LAND SALE COMPARABLE #		1	
IDENTIFICATION		PRICE AND TERMS	
Type:	Commercial Land	Sale Date:	Jun-17
Address:	901 East 12200 South	Sale Price:	\$110,000
City:	Draper	\$/SF	\$10.52
County:	Salt Lake	Terms:	Cash or Equivalent
State:	Utah	Condition:	Arm's Length
Tax ID#:	28-29-326-006	CONFIRMATION	
Rights Transferred:	Fee Simple		
PARTIES		With:	
Seller:	Nicoles Enterprises LLC	Lyndi Reed, Agent	
Buyer:	Ryan Jedd Olsen	COMMENTS	
LAND DESCRIPTION			
Area (Square Foot)	10,454		
Area (Acre)	0.24		
Frontage:	Asphalt		
Zoning:	CN		
Topography:	Mostly Level		
Shape:	Nearly Rectangular		
Utilities:	All Available		



LAND SALE COMPARABLE #		2
IDENTIFICATION		PRICE AND TERMS
Type:	Commercial Land	Sale Date: Mar-16
Address:	857 East 12400 South	Sale Price: \$490,000
City:	Draper	\$/SF \$14.24
County:	Salt Lake	Terms: Cash or Equivalent
State:	Utah	Condition: Arm's Length
Tax ID#:	28-29-310-023	
Rights Transferred:	Fee Simple	CONFIRMATION
PARTIES		With: Craig Hawker, Agent
Seller:	857 Pioneer	
Buyer:	Craig & Janet Buhler	COMMENTS
LAND DESCRIPTION		
Area (Square Foot)	34,412	
Area (Acre)	0.79	
Frontage:	Asphalt	
Zoning:	TC	
Topography:	Mostly Level	
Shape:	Rectangular	
Utilities:	All Available	

LAND SALE COMPARABLE #		4		
IDENTIFICATION			PRICE AND TERMS	
Type:	Commercial Land		Sale Date:	Jul-16
Address:	511 West South Jordan Parkway		Sale Price:	\$1,326,402
City:	South Jordan		\$/SF	\$14.23
County:	Salt Lake		Terms:	Cash or Equivalent
State:	Utah		Condition:	Arm's Length
Tax ID#:	27-13-301-009		CONFIRMATION	
Rights Transferred:	Fee Simple		With:	Randy Campbell, Agent
PARTIES			COMMENTS	
Seller:	Trejor Investments LLP			
Buyer:	South Jordan Hospitality, LLC			
LAND DESCRIPTION				
Area (Square Foot)	93,218			
Area (Acre)	2.14			
Frontage:	Asphalt			
Zoning:	MU-TOD			
Topography:	Mostly Level			
Shape:	Nearly Rectangular			
Utilities:	All Available			



COUNTY LEGAL DESCRIPTION

Esc / CLEAR Logoff Applications ↕
 VTDI 28-29-302-001-0000 DIST 55 TOTAL ACRES 1.53
 UTAH DEPARTMENT OF TAX CLASS UPDATE REAL ESTATE 1266300
 TRANSPORTATION OE LEGAL BUILDINGS 0
 % UDOT RIGHT OF WAY PRINT U TOTAL VALUE 0
 PO BOX 148420 NO:
 SALT LAKE CITY UT 841148420 EDIT 1 FACTOR BYPASS
 LOC: 721 E 12200 S EDIT 0 BOOK 08910 PAGE 6007 DATE 11/14/2003
 SUB: DRAPERVILLE TYPE UNKN PLAT
 07/13/2017 PROPERTY DESCRIPTION FOR TAXATION PURPOSES ONLY
 W 152 FT OF LOT 2 & ALL LOT 3 BLK 23 DRAPERVILLE 5725-1423
 5850-1242 6084-1801 8910-6006

UDOT LEGAL DESCRIPTION

WHEN RECORDED, MAIL TO:
Utah Department of Transportation
Right of Way, Fourth Floor
Box 148420
Salt Lake City, Utah 84114-8420

Quit Claim Deed

County

Pin No. 3904
Parcel No. 0071:01:TQ
Project No. SP-0071(14)4
Reference Pin No. 2524
Reference Project No. STP-0071(9)7
Affecting Tax No. 28-29-302-001
Advanced Acquisition (700 East)

The UTAH DEPARTMENT OF TRANSPORTATION, by its duly appointed Director of Right of Way, Grantor, of Salt Lake City, County of Salt Lake, State of Utah, hereby QUIT CLAIMS to East Jordan Irrigation Co., Grantee, at 7555 South Wood Lane, City of Midvale, State of Utah, Zip 84047, for the sum of Ten (\$10.00) Dollars, and other good and valuable considerations, the following described tract of land in Salt Lake County, State of Utah, to-wit:

A parcel of land, situate in the SW1/4SE1/4 of Section 2, T. 2 S., R. 2 W., S.L.B. & M. Said parcel of land described as follows:

The West 152 feet of Lot 2 and all of Lot 3 Block 23, less and excepting the westerly 21.5 feet of said lots 2 and 3, Draperville, according to the official plat thereof, recorded in the office of the County Recorder of Salt Lake County, Utah. The above described parcel of land contains 59,855 square ft. in area or 1.37 acre, more or less.

Continued on Page 2
UDOT RW-05UD (12-01-03)

ASSUMPTIONS AND LIMITING CONDITIONS

1. This is an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents summary discussions of the data, reasoning, and analyses that were used in the appraisal process to develop an opinion of market value. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. Supporting documentation is retained in the appraiser's work file.
2. For purposes of this appraisal, any marketing program for the sale of the property would assume cash or its equivalent.
3. No detailed soil studies covering the subject property were available for this appraisal. It is therefore assumed that soil conditions are adequate to support standard construction consistent with highest and best use.
4. The date of value to which the conclusions and opinions expressed in this report apply, is set forth in the letter of transmittal. Further, the dollar amount of any value opinion rendered in this report is based upon the purchasing power of the American dollar existing on that date.
5. The appraiser assumes no responsibility for economic or physical factors, which may affect the opinions in this report that occur after the valuation date.
6. The appraiser reserves the right to make such adjustments to the analyses, opinions and conclusions set forth in this report as may be required by consideration of additional data or more reliable data that may become available.
7. No opinion as to title is rendered. Data relating to ownership and legal description was obtained from the client or public records and is considered reliable. Title is assumed to be marketable and free and clear of all liens, encumbrances, easements and restrictions except those specifically discussed in the report. The property is appraised assuming it to be under responsible ownership and competent management, and available for its highest and best use.
8. If no title policy was made available to the appraiser, he assumes no responsibility for such items of record not disclosed by customary investigation.
9. The appraiser assumes no responsibility for hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for arranging for engineering studies that may be required to discover them.
10. The property is appraised assuming it to be in full compliance with all applicable federal, state, and local environmental regulations and laws, unless otherwise stated.
11. The property is appraised assuming that all applicable zoning and use regulations and restrictions have been complied with, unless otherwise stated.

ASSUMPTIONS AND LIMITING CONDITIONS (CONTINUED)

12. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based, unless otherwise stated.
13. The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separated allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
14. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area was taken from sources considered reliable and no encroachment of real property improvements is considered to exist.
15. No opinion is expressed as to the value of subsurface oil, gas or mineral rights or whether the property is subject to surface entry for the exploration or removal of such materials except as is expressly stated.
16. Maps, plats and exhibits included in this report are for illustration only as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose, nor should they be removed from, reproduced, or used apart from the report.
17. No opinion is intended to be expressed for matters which require legal expertise or specialized investigation or knowledge beyond that customarily employed by the real estate appraisers.
18. Possession of this report, or copy of it, does not carry with it the right of publication. It may not be used for any purpose by any person other than the party to whom it is addressed without the written consent of the appraiser, and in any event only with proper written qualification and only in its entirety.
19. Testimony or attendance in court or at any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance.
20. The appraiser has personally inspected the subject property and found no obvious evidence of structural deficiencies, except as may be stated in this report; however, no responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake or occupancy codes can be assumed without provision of specific professional or government inspections.

ASSUMPTIONS AND LIMITING CONDITIONS (CONTINUED)

21. Unless otherwise noted, no consideration has been given in this appraisal to the value of the property located on the premises which is considered by the appraisers to be personal property, nor has consideration been given to the cost of moving or relocating such personal property; only the real property has been considered.
22. Information obtained for use in this appraisal is believed to be true and correct to the best of our ability; however, no responsibility is assumed for errors or omissions, or for information not disclosed which might otherwise affect the valuation estimate.
23. Unless otherwise stated in this report, the appraisers signing this report have no knowledge concerning the presence or absence of toxic materials in the improvements and/or hazardous waste on the land. No responsibility is assumed for any such conditions or for any expertise or engineering to discover them.
24. Disclosure of the contents of this appraisal report is governed by the Bylaws and Regulations of the Appraisal Institute.
25. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute) shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior written consent and approval of the appraiser.

CONSIDERATION OF HAZARDOUS SUBSTANCES IN THE APPRAISAL PROCESS

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation asbestos, polychlorinated biphenyl, petroleum leakage, or agricultural chemicals, which may or may not be present on the property, or other environmental conditions, were not called to the attention of nor did the appraisers become aware of such during the appraiser's inspection. The appraisers have no knowledge of the existence of such materials on or in the property unless otherwise stated. The appraisers, however, are not qualified to test such substances or conditions. If the presence of such substances, such as asbestos, urea formaldehyde foam insulation, or other hazardous substances or environmental conditions, may affect the value the property, the value estimated is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto that it would cause a loss in value. No responsibility is assumed for any such conditions, nor for any expertise or engineering knowledge required to discover them.

AMERICANS WITH DISABILITIES ACT

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in estimating the value of the Property.

**SPECIFIC LIMITING CONDITIONS AND
EXTRAORDINARY ASSUMPTIONS**

1. This report has been prepared during the month(s) of January 2016. The indicated value is based on current market conditions as of the time the report was prepared. The appraisers cannot be held responsible for unforeseeable events that alter market conditions subsequent to the date of the appraisal.
2. This analysis assumes no environmental hazards exist on site that would adversely affect the final value estimate. Review of a Phase I Environmental Site Assessment performed by a qualified engineer/firm is recommended.

APPRAISER QUALIFICATIONS

QUALIFICATIONS, EDUCATION & EXPERIENCE OF DAVID P. HOLTBY Dave@dhgroup Utah.com																											
EDUCATION <ul style="list-style-type: none"> Bachelor Of Science, University of Utah, Major: Finance PROFESSIONAL MEMBERSHIPS & LICENSES <ul style="list-style-type: none"> The Appraisal Institute - #438978 IRWA – Member No. 7912737 Utah State-Certified General Appraiser, #5503226-CG00, Expires 03/31/19 WORK EXPERIENCE <ul style="list-style-type: none"> January 2012 to Present – Owner/Principal commercial real estate appraiser/consultant, DH Group, LLC., Salt Lake City, Utah September 1998 to January 2012 - Full time commercial real estate appraiser/consultant/researcher with Van Drimmelen & Associates, Inc., Salt Lake City, Utah August 1995 to September 1998 – Residential Home Designer & Draftsman with KM Designs, Inc., Salt Lake City, Utah CLIENTS (Partial List) <p> America First Credit Union Bureau of Land Management Burbidge Mitchell & Gross Celtic Bank Davis County Davis County School District Draper City Durham Jones & Pinegar First Community Bank First Fidelity Investment First National Bank of Layton First Utah Bank Granite Federal Credit Union Granite School District Helgesen Waterfall & Jones Herriman City Highland City Holladay Bank & Trust Hoole & King Jones Waldo Key Bank Layton City Logan City Ogden City Private Property Rights Ombudsman Property Reserve Inc. Parsons Behle & Latimer Rock Canyon Bank Sandy City Salt Lake City Salt Lake Community College SITLA Snell & Wilmer LP South Davis Sewer Improvement District </p>	SPECIALIZED COURSES COMPLETED <ul style="list-style-type: none"> 403 Easement Valuation, IRWA Advanced Income Capitalization, Appraisal Institute Reviewing Appraisals in Eminent Domain, IRWA Supervisory Appraiser & Appraiser Trainee, Utah Division of Real Estate Rates & Ratios, Appraisal Institute Supervising Appraisal Trainees, Appraisal Institute National USPAP Update, VanEd St. George Symposium, Appraisal Institute What Clients Would Like Their Appraisers to Know, Appraisal Institute Business Practices and Ethics, Appraisal Institute USPAP Update, Appraisal Institute Utah Law of Eminent Domain, Utah Land Use Institute Small Hotel/Motel Valuation, Appraisal Institute USPAP Update (400), Appraisal Institute Appraiser Expectation Meeting, UDOT Feasibility Analysis, Market Value and Investment, Appraisal Institute Eminent Domain Update, Utah Land Use Institute USPAP Update (400), Appraisal Institute Eminent Domain Training for Attorneys and Appraisers, NHI Course No. 141036, The National Highway Institute & UDOT Report Writing (540), Appraisal Institute Highest and Best Use (520), Appraisal Institute Eminent Domain Seminar, Utah State Capitol Real Estate Appraisal Principles, University of Utah Real Estate Law, University of Utah Standards of Professional Practice (USPAP) Appraising Residences, O'Brien Schools Fundamental Appraisal, O'Brien Schools APPRAISAL/CONSULTING ASSIGNMENTS <table> <tr> <td>Airports/Hangars</td><td>Raw Land</td></tr> <tr> <td>Church/Public Buildings</td><td>Office</td></tr> <tr> <td>Food Processing Facilities</td><td>Retail</td></tr> <tr> <td>Schools</td><td>Industrial</td></tr> <tr> <td>Restaurants</td><td>C-Stores</td></tr> <tr> <td>Apartment</td><td>Golf Courses</td></tr> <tr> <td>Eminent Domain</td><td>Subdivisions</td></tr> <tr> <td>Farm/Ranch</td><td>Lodging</td></tr> <tr> <td>Single Family Residential</td><td>Multi-Family</td></tr> <tr> <td>RV Park/Mobile Home Parks</td><td>Theatres</td></tr> <tr> <td>Wetlands</td><td>Self-Storage</td></tr> <tr> <td>Estates</td><td>Ski-Resorts</td></tr> <tr> <td>Litigation</td><td></td></tr> </table>	Airports/Hangars	Raw Land	Church/Public Buildings	Office	Food Processing Facilities	Retail	Schools	Industrial	Restaurants	C-Stores	Apartment	Golf Courses	Eminent Domain	Subdivisions	Farm/Ranch	Lodging	Single Family Residential	Multi-Family	RV Park/Mobile Home Parks	Theatres	Wetlands	Self-Storage	Estates	Ski-Resorts	Litigation	
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South Jordan City South Salt Lake City State of Utah Syracuse City Tooele County US Bank Utah County Utah Department of Transportation Utah Transit Authority Wells Fargo Weber Basin Water West Jordan City West Valley City Weber County Zions First National Bank	

UTAH STATE LICENSE

STATE OF UTAH DEPARTMENT OF COMMERCE DIVISION OF REAL ESTATE ACTIVE LICENSE	
DATE ISSUED: 02/28/2017 EXPIRATION DATE: 03/31/2019 LICENSE NUMBER: 5503226-CG00 LICENSE TYPE: Certified General Appraiser ISSUED TO: DAVID P HOLTBY 1580 STABLEWOOD CIR HOLLADAY UT 84117	
 SIGNATURE OF HOLDER	 REAL ESTATE DIVISION DIRECTOR